

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** 08/06/2012  
**POSITION:** Neutral  
**SPONSOR:** California Public Utilities Commission

**BILL NUMBER:** AB 1665  
**AUTHOR:** Galgiani, Cathleen

### **BILL SUMMARY: California Environmental Quality Act: Exemption: Railroad Crossings.**

Existing law grants the Public Utilities Commission (PUC) the authority to regulate railroad crossings and grades and exempts from the California Environmental Quality Act (CEQA) the PUC's action to close a railroad grade separation project, which eliminates an existing grade crossing or reconstructs an existing grade separation. The bill would require state agencies and local agencies to file a notice with the Office of Planning and Research and county clerks for specified reasons.

This bill would exempt closing a railroad grade crossing from CEQA requirements if the PUC finds the crossing presents a threat to public safety. The bill excludes applying the exemption to any high-speed rail crossing or any High-Speed Rail Authority project. Additionally, the bill requires specific agencies be notified when an exemption is made. The bill requirements will sunset on January 1, 2016.

### **FISCAL SUMMARY**

The PUC states this bill would not result in new PUC costs. The Department of Finance concurs and notes any cost should be absorbable within existing resources of the PUC.

By placing additional notification requirements on local agencies, this bill could result in minor additional costs for local agencies. Those costs would be more than offset by the savings created by enabling some grade crossing projects to be exempted from CEQA, therefore the bill should not result in a reimbursable state mandate. Section 17556(e) of the Government Code provides that the Commission on State Mandates shall not find a reimbursable mandate in a statute if the statute provides for offsetting savings that result in no net costs to local government.

### **COMMENTS**

The Department of Finance is neutral on this bill as it would provide the PUC with the ability to close a rail crossing to protect public safety.

CEQA requires a lead agency to prepare and certify the completion of an environmental impact report on a project it proposes that may have a significant effect on the environment or to adopt a negative declaration if it finds the project would not have a negative effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

CEQA exempts from its requirements railroad grade separation projects that eliminate an existing grade crossing or reconstruct an existing grade separation. Chapter 315, Statutes of 2008, removed from the Streets and Highway Code a provision that defined grade separation projects to include removal or relocation of highways or tracks to eliminate existing grade crossings. The California Public Resources Code (PRC) exempts these grade separation projects from CEQA review. In the past, the PUC asserted a

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Department Deputy Director			Date
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
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## **AUTHOR**

**AMENDMENT DATE**

**BILL NUMBER**

Galgiani, Cathleen

08/06/2012

AB 1665

**COMMENTS** (continued)

combination of the authority contained in these provisions authorized at-grade crossing projects to be exempt from CEQA. The bill would amend the PRC to clarify that the PUC has the authority to exempt grade crossing projects from CEQA as it has done in the past, thereby protecting the public from dangerous grade crossings.

The bill would:

- Exempts from CEQA any railroad grade separation project which eliminates an existing grade crossing or reconstruction of an existing grade crossing, except a grade crossing related to high-speed rail.
- Requires state or local agency to file a notice with the Office of Planning and Research and county clerk when a determination is made that a project is not subject to CEQA.
- Clarify this bill does not apply to any crossing for high-speed rail or any crossing project carried out by the High-Speed Rail Authority.
- Sunset the provisions of this bill on January 1, 2016.

	SO	(Fiscal Impact by Fiscal Year)				
Code/Department	LA	(Dollars in Thousands)				
Agency or Revenue	CO	PROP				Fund
Type	RV	98	FC	2012-2013 FC	2013-2014 FC	2014-2015 Code
8660/PUC	SO	No		----- No/Minor Fiscal Impact -----		0412
<u>Fund Code</u>	<u>Title</u>					
0412	Transportation Rate Fund					